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PTQ3744

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ACTION WHA-00

INFO	LOG-00	CIAE-00	DODE-00	SRPP-00	DS-00	UTED-00	VC-00
	H-01	TEDE-00	INR-00	L-00	AC-01	NSAE-00	NSCE-00
	OMB-01	PA-00	PM-00	PRS-00	ACE-00	P-00	SP-00
	SSO-00	SS-00	TEST-00	TRSE-00	T-00	USIE-00	PMB-00
	DSCC-00	DRL-02	G-00	SAS-00	/005W		
				-----C11420 221416Z /03			

R 202142Z JUN 02
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC 6459
INFO NSC WASHDC
USCINCSO MIAMI FL
AMEMBASSY BOGOTA

UNCLAS SECTION 01 OF 02 CARACAS 001767

USCINCSO ALSO FOR POLAD
NSC FOR SALCEDO

E.O. 12958: DECL: N/A
TAGS: PREL, PGOV, VE
SUBJECT: POLITICAL UPDATE - JUNE 20, 2002

CHAVEZ'S LEGAL TROUBLES HEATING UP

1. LUIS MANUEL ESCULPI, SECRETARY GENERAL OF UNION PARTY,
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PRESENTED THE ATTORNEY GENERAL'S OFFICE WITH NEW CHARGES
AGAINST PRESIDENT CHAVEZ, THIS TIME FOR TRAFFICKING IN
INFLUENCE AND MISUSE OF PUBLIC PROPERTY. CHAVEZ IS ACCUSED
OF USING NATIONAL ARMED FORCES FOR PERSONAL POLITICAL
ACTIVITIES WHEN ON DECEMBER 9, HE ORDERED BOTH HORSES AND
SOLDIERS FROM THE EQUESTRIAN SCHOOL OF THE ARMY TO DRESS UP
AS PEASANTS WHO SUPPOSEDLY TRAVELED BY HORSEBACK TO CARACAS
TO DEMONSTRATE IN FAVOR OF THE LAND LAW. IN A SEPARATE
COMPLAINT, ARMY GEN. PEREIRA OLIVARES CLAIMS THAT HE SPENT
AS MANY AS 500 HOURS FLYING TO VARIOUS SITES IN THE
INTERIOR PART OF THE COUNTRY FOR BOLIVARIAN CIRCLE EVENTS
OR MVR PARTY ACTIVITIES. BOTH TRAFFICKING IN INFLUENCE AND
MISUSING PUBLIC PROPERTY CARRY PENALTIES OF ONE TO FIVE
YEARS IN PRISON.

UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: JOHN L MILLS
DATE/CASE ID: 25 APR 2005 200400109

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2. IN ADDITION, CHAVEZ WILL ALSO BE QUESTIONED ABOUT HIS ROLE IN THE MISHANDLING OF 2.3 BILLION BOLIVARS THAT SHOULD HAVE BEEN DEPOSITED IN THE MACROECONOMIC STABILIZATION AND INVESTMENT FUND (FIEM), BUT WERE NOT. CHAVEZ IS ALSO BEING INVESTIGATED FOR ACCEPTING 1.5 MILLION DOLLARS IN ILLEGAL CAMPAIGN CONTRIBUTIONS FROM THE SPANISH BANK BBVA. ALLEGEDLY, BOTH CHAVEZ AND LUIS MIQUILENA WERE RESPONSIBLE FOR MANAGING MVR ACCOUNTS LEADING UP TO THE 1998 ELECTIONS.

SUPREME COURT TELLS ATTORNEY GENERAL TO BUTT OUT

3. THE SUPREME TRIBUNAL OF JUSTICE (TSJ) HAS ORDERED ATTORNEY GENERAL ISAIAS RODRIGUEZ TO RECUSE HIMSELF FROM THE CASE IF PRESIDENT CHAVEZ IS TRIED FOR ANY CRIMES DURING
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HIS PRESIDENCY. TULIO ALVAREZ, THE CONSTITUTIONAL LAWYER WHO REQUESTED RODRIGUEZ STEP ASIDE, CLAIMS THAT BECAUSE RODRIGUEZ HAS DEMONSTRATED IN FAVOR OF THE GOVERNMENT, HE WOULD NOT ACT WITH THE IMPARTIALITY THAT HIS OFFICE REQUIRES. THE TSJ SAID IT WOULD NAME A SPECIAL PROSECUTOR IF RODRIGUEZ WERE TO STEP ASIDE.

CTV CALLS FOR ROLLING STRIKES

4. ON JUNE 19, VENEZUELA'S LABOR FEDERATION (CTV) ANNOUNCED A ROLLING STRIKE BEGINNING IN CARABOBO AND ARAGUA STATES, LEADING TO A POSSIBLE GENERAL STRIKE WHICH COULD EXTEND NATION-WIDE. THE REASON FOR THE STRIKE, ACCORDING TO CTV PRESIDENT CARLOS ORTEGA, IS TO A) DEMAND THE REACTIVATION OF THE ECONOMY, B) STOP THE IMPLEMENTATION OF THE NEW ECONOMIC PLAN ANNOUNCED DAYS AGO, AND C) POSTPONE OVER 500 COLLECTIVE CONTRACTS NEGOTIATIONS UNTIL 2003. ORTEGA SAID THE COUNTRY IS IN ECONOMIC CRISIS, WITH A FISCAL DEFICIT OF APPROXIMATELY 8 PERCENT, ESTIMATED INFLATION OF 30 PERCENT, AND AN UNEMPLOYMENT LEVEL OF AROUND 16 PERCENT.

MILITARY-CIVIL MARCH FROM ALTAMIRA TO MIRAFLORES

5. YET ANOTHER MARCH TOOK PLACE IN CARACAS JUNE 20, THIS TIME TO PROTEST AGAINST CHAVEZ'S POLARIZATION OF THE

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MILITARY AND BUDGET CUTS. THE MARCH WAS LED BY RET. COL.
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HIDALGO VALERO, WHO CARRIED HIS UNIFORM AS A SYMBOL OF
RESPECT FOR ALL MILITARY SECTORS. ADDRESSING SUPPORTERS,
COL. VALERO ADVOCATED SUPPORT FOR MILITARY RETIREMENT
ISSUES AND RESPECT FOR THE MILITARY INSTITUTION AS A WHOLE.
THE MARCH WAS INITIALLY EXPECTED TO END AT THE PRESIDENTIAL
PALACE, WHERE VALERO ALONG WITH FIVE OTHER REPRESENTATIVES
OF VARIOUS CIVIL GROUPS WOULD DELIVER A LETTER TO CHAVEZ
ASKING FOR HIS RESIGNATION AMONG OTHER THINGS. BECAUSE OF
SECURITY REASONS, THE MARCH STOPPED SHORT OF THE PALACE.
HOWEVER, COL. VALERO DID DELIVER HIS MESSAGE TO A
MIRAFLORES REPRESENTATIVE. THE MARCH WAS RELATIVELY
PEACEFUL, WITH FEW INCIDENTS OF VIOLENCE, ALTHOUGH CHAVEZ
SUPPORTERS AWAITED NEAR MIRAFLORES PALACE SHOUTING "THEY
WON'T PASS." THE METROPOLITAN POLICE ESTABLISHED THREE
BARRIERS SEPARATING THE OPPOSITION AND THE CHAVISTAS, AND
WHILE SOME MARCHERS MANAGED TO GET THROUGH ONE OF THE
BARRIERS, THE POLICE WERE ABLE TO CONTAIN THE SITUATION.

CHAVEZ ADDRESSES A MASS OF PEOPLE IN LAS MALVINAS

6. WHILE THE MARCH CONTINUED IN DOWNTOWN CARACAS,

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	OMB-01	PA-00	PM-00	PRS-00	ACE-00	P-00	SP-00
	SSO-00	SS-00	TEST-00	TRSE-00	T-00	USIE-00	PMB-00
	DSCC-00	DRL-02	G-00	SAS-00	/005W		

-----C11425 221417Z /03

R 202142Z JUN 02
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC 6460
INFO NSC WASHDC
USCINCSO MIAMI FL
AMEMBASSY BOGOTA

UNCLAS SECTION 02 OF 02 CARACAS 001767

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PRESIDENT CHAVEZ ADDRESSED A GROUP OF SUPPORTERS IN THE LAS MALVINAS NEIGHBORHOOD OF LIBERTADOR MUNICIPALITY. CHAVEZ CALLED ON MILLIONS OF VENEZUELAN LIKE HIMSELF TO "DEFEND THE REVOLUTION" AND CALLED HIS SUPPORTERS "VANGUARDS OF THE NATION." CHAVEZ PROMISED TO CARRY OUT THE WILL OF THE
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PEOPLE AND THAT HE WOULD NEVER ABANDON THEM. CHAVEZ ALSO EMPHASIZED HIS SUPPORT FOR THE HUMAN RIGHTS OF THOSE WHO REBELLED AGAINST HIS GOVERNMENT APRIL 11. HE SAID HE COULD NOT HAVE BEEN MORE "MAGNANIMOUS" AFTER THE ATTEMPTED COUP. "WE CALLED THEM TO DIALOGUE, TO RECTIFY WHERE RECTIFICATION WAS NEEDED, AND I HAVE BEEN MAKING CHANGES, LISTENING TO CRITICISM, ASKING THE WORLD TO COME AND SEE WHAT HAPPENED HERE. BUT NONETHELESS THERE ARE SOME SECTORS THAT DO NOT WANT TO LISTEN, THAT INTEND TO CONTINUE DESTABILIZATION."

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